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MEMORANDUM

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2011 MAY 10 A 8:20

TO: Docket Control
FROM: Steven M. Olea
Director
Utilities Division

EIA for SMO

AZ CORP COMMISSION
DOCKET CONTROL

DATE: May 9, 2011

RE: IN THE MATTER OF THE APPLICATION OF NATIONAL BRANDS, INC. DBA
SHARENET COMMUNICATIONS COMPANY FOR APPROVAL TO CANCEL
THEIR CERTIFICATE OF CONVENIENCE AND NECESSITY.
(DOCKET NO. T-02580A-11-0155)

Attached is the Staff Report for the above referenced application. The applicant is applying for approval to cancel its Certificate of Convenience and Necessity ("CC&N") to provide the following services:

- Resold Long Distance Services
- Resold Local Exchange Services
- Facilities-Based Local Exchange Services
- Alternative Operator Services ("AOS")

Staff recommends cancellation of the CC&N.

SMO:AFF:tdp

Originator: Armando Fimbres

Attachment: Original and Thirteen Copies

Arizona Corporation Commission

DOCKETED

MAY 10 2011

DOCKETED BY	<i>ADSS</i>
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Service List for: National Brands, Inc. Dba Sharenet Communications Company
Docket No.: T-02580A-11-0155

Connie Wightman
Technologies Management, Inc.
2600 Maitland Center Parkway, Suite 300
Maitland, Florida 32751
Consultant to National Brands, Inc. dba Sharenet Communications Company

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

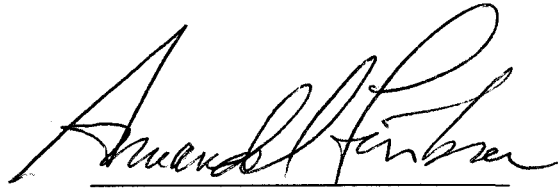
NATIONAL BRANDS, INC.
DBA SHARENET COMMUNICATIONS COMPANY
DOCKET NO. T-02580A-11-0155

IN THE MATTER OF THE APPLICATION OF NATIONAL BRANDS, INC. DBA
SHARENET COMMUNICATIONS COMPANY FOR APPROVAL TO CANCEL THEIR
CERTIFICATE OF CONVENIENCE AND NECESSITY

MAY 9, 2011

STAFF ACKNOWLEDGEMENT

The Staff Report for the application of National Brands, Inc. d/b/a Sharenet Communications Company, Docket No. T-02580A-11-0155, for approval to cancel their Certificate of Convenience and Necessity to provide Resold Long Distance, Resold Local Exchange, Facilities-Based Local Exchange and Alternative Operator Telecommunications Services was the responsibility of the Staff member listed below. Armando Fimbres was responsible for the review and analysis of the application.

A handwritten signature in black ink, appearing to read 'Armando Fimbres', is written over a horizontal line.

Armando Fimbres
Public Utility Analyst V

INTRODUCTION

On April 7, 2011, National Brands, Inc. d/b/a Sharenet Communications Company ("Sharenet") filed an application to cancel its Certificate of Convenience and Necessity ("CC&N") to provide Resold Long Distance, Resold Local Exchange, Facilities-Based Local Exchange and Alternative Operator Services ("AOS") within Arizona. Sharenet currently is authorized to provide telecommunications services to customers in Arizona pursuant to the CC&N granted by the Commission in Decision No. 68489, dated February 23, 2006.

BACKGROUND

In Decision No. 72018, dated December 10, 2010, the Commission approved the transfer of Sharenet's local exchange customers to Eschelon Telecom of Arizona, d/b/a Integra Telecom ("Integra"). The necessary approval by the Federal Communications Commission ("FCC") to execute the transfer of customers approved in Decision No. 72018 was not received by the Sharenet and Integra until April 5, 2011. On April 15, 2011, the transfer approved by Decision No. 72018 was completed by Integra and Sharenet. In its transfer application¹, Sharenet did not seek cancellation of its CC&N, however, Sharenet does not currently serve any local exchange or long distance customers.

STAFF'S ANALYSIS

Sharenet explained that one hundred forty-seven (147) AOS business customers were notified via letter dated April 4, 2011 that Sharenet services will cease on June 1, 2011. The customer notice explained service options available to customers and provided contact information. Sharenet does not serve residence customers. No complaints or requests for service extensions beyond June 21, 2011 have been received by Sharenet.

Sharenet's application requests a waiver of the cancellation notice required by A.A.C. R14-2-1107(B). With the completion of the customer transfer approved by Decision No. 72018, Sharenet does not have any local exchange or long distance customers. Staff, therefore, supports a waiver of the notice requirement contained in A.A.C. R14-2-1107(B).

RECOMMENDATIONS

Staff recommends the approval of Sharenet's application to cancel its CC&N to provide Resold Long Distance, Resold Local Exchange, Facilities-Based Local Exchange and Alternative Operator Services. In addition, Staff recommends that the cancellation not become effective until a decision is issued by the Commission authorizing such cancellation. Upon cancellation of its CC&N, Sharenet will no longer be authorized to provide telecommunications services in

¹ In the matter of the application of Integra Telecom Holding, Inc., Eschelon Telecom of Arizona, Inc. dba Integra Telecom and National Brands, Inc. dba Sharenet Communications Company for approval of a waiver of the Commission's Slamming Rules, AAC R14-2-1904, Docket No. T-20527A-10-0427.

Arizona. Therefore, Sharenet will no longer be subject to the requirements of Decision No. 68489.